

KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTE

Action/Consent Item:

School Facilities Construction – Facility Unmet Needs Report

Applicable Statute or Regulation:

KRS 157.615, KRS 157.620, and 702 KAR 1:001

Action Requested:

Should the Kentucky Board of Education certify the Facility Unmet Needs Report for the Kentucky School Facilities Construction Commission's 2006 biennial funding process?

History/Background:

The Kentucky School Facilities Construction Commission, located in the Finance and Administration Cabinet, oversees the allocation of funds to school districts for capital construction based on legislative appropriations.

KRS 157.620 requires the Kentucky Board of Education to submit a statement of unmet facility needs to the Kentucky School Facilities Construction Commission, no later than October 15 of that year, immediately preceding the budget session of the General Assembly. This report is to certify the following:

- 1) The amount of school facility construction needs in each district;
- 2) The amount of available local revenue in each district; and,
- 3) Certification that all 176 districts have met applicable eligibility requirements.

Facility plans for all 176 local school districts have been categorized in accordance with the approved regulation and are the basis for determining the maximum construction budget for each priority project, the total cost of new construction and the major renovation needs for the district. Unmet need is defined as "the total cost of new construction and major renovation as shown by the approved facilities plan less the available local revenue."

Available local revenue includes the sum of the school building fund account balance, the bonding potential of the capital outlay fund and the Facilities Support Program of Kentucky, and the capital outlay fund account balance.

Please note that local available revenue exceeds projected needs for the following districts:

- 1) Bardstown Independent
- 2) Bullitt County

- 3) Burgin Independent
- 4) Caldwell County
- 5) Daviess County
- 6) Grant County
- 7) Jessamine County
- 8) Montgomery County
- 9) Pikeville Independent

In accordance with 702 KAR 1:001, unit costs for new construction and renovation were obtained from National Means Facilities Construction Cost Data.

Approving the School Facility Unmet Needs Report establishes funding percentages that will be used to dispense school facility funding in the 2006 General Assembly. The calculation is a needs-based mechanism used to improve Kentucky's school facilities.

Staff Recommendation(s) and Rationale(s):

Staff recommends the Kentucky Board of Education approve the attached 2006 Facility Unmet Needs Report. The Needs Report is based on national construction data, architects' sealed estimates, and minimum standards established by the Kentucky Board of Education.

The attachment has been calculated in accordance with applicable statutes and regulations and has been verified by the districts to be a true and accurate representation of their facility needs as described on their current facility plan.

Groups Consulted and Brief Summary of Responses:

Local School Boards and Administrators
Local Planning Committees
Members of the Community (Hearing Process)

The groups were supportive of the report.

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Deputy Commissioner

Commissioner of Education

Date:

December 2005

